

grandstands and be critical than to be on the field and have to call the plays. That is, of course, what the President has to do.

I think it deals with a problem. The problem, of course, is that all of us are concerned about security. There is no one in government or outside government who doesn't want to try to detect what is going on and do something about it, whether it is a highway patrolman in Wyoming or a CIA agent or an FBI agent. Sometimes it is objective, sometimes it is seen, or sometimes it is suspected; then what do you do?

We haven't had a central place to accumulate all of these possibilities so they can be evaluated and so something can be done about them. There are as many as 100 different government agencies that have some responsibility for homeland security. I suspect it is almost every agency. No one has had the final accountability. No one has had to say there is something that really should be investigated and should be turned over to people to further investigate.

The Coast Guard has several missions: Research, rescue, maritime treaties. It, of course, reports to the Transportation Department. Its primary responsibilities are rails, bridges, and airways.

There is really sort of a lack of continuity.

The Customs Service, among other duties, collects tariffs, prevents smuggling. It is part of the Treasury Department whose primary responsibility is not regular security but indeed physical security.

We have not had a central place for this information until recently. Now we do. Times have changed.

Absolutely now, there will be someone in charge. The bureaucrats are unchangeable, it is said. I don't believe that. I believe change can come when the leadership shows the way and insists upon change. That is what it is all about. That is why there are heads of departments. It is why someone is a Cabinet member—to take the policy of their leader, the President, and to ensure it is implemented. I have never worked in the bureaucracy, but I suppose where there are thousands of people, it is a little bit difficult to do. But that is their task. That is their job. I think it can bring about change.

It would be too bad if the Congress failed to change. I read about some of the congressional committees being concerned about their jurisdiction and that this might change that. Change is inevitable. Change is something we ought to look at and accept, if it has merit. The idea of being resistant to change is a little hard, and it is not very helpful. I suspect there is some of that in the Senate. We hear all kinds of voices coming out here.

I am no expert, as I mentioned before. I suspect that maybe this department could be smaller. You could have a little more selective group that

comes together, if indeed then the things that are determined by this smaller homeland security group could be brought to the President and to his Cabinet, and the President would ensure that each of these Cabinet people caused their departments to do what is necessary; that is, to support the central agency. Even today I understand that. But when you are talking about hundreds of thousands of people, of course, it is less easy. I understand that.

But I do think there has to be a central but real war to a large extent—both domestically and overseas—carried out by intelligence, and carried out by centralized information, and by knowing what is happening. This is an entirely different kind of war than we have ever had in the past. We will have to have different arrangements to do it.

I think if you are a frontline worker for the FBI, CIA, or some other law enforcement or intelligence agency, and you see something that raises suspicions, you need to have a place to report it immediately, and you should expect your supervisors to treat it with the seriousness it deserves. Information must be fully shared so that we can follow all of those leads and hopefully prevent a tragedy such as happened to us before.

I hope we can consider the President's recommendation and make the changes we believe we need. I think we should see what weaknesses we have had so we can change those. Certainly there have been some. I suppose some of them were not necessarily weaknesses. There is a difference in the climate, there is a difference in the atmosphere, a difference in the challenge. When that happens, there has to be a difference in the way we behave.

I look forward to that. I hope we can come out with something better than what we received.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, am I correct, we are in morning business at this time?

The PRESIDING OFFICER. The Senator is correct.

Mr. BINGAMAN. I ask unanimous consent to speak for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PENSION REFORM

Mr. BINGAMAN. Mr. President, the front page of today's New York Times has an article with a title that reads "Enthusiasm Ebbs for Tough Reform in Wake of Enron." That headline points out a political challenge that those of

us in Congress have to deal with over the next few months; that is, the challenge to enact meaningful legislation while this terrible catastrophe which befell many employees and investors in relation to Enron is still fresh in mind.

I, for one, am not ready to concede that we cannot take legislative action to make sure the country's workers are not protected from the next Enron-type meltdown. We need to take that legislative action. It needs to be a priority of the Congress. I rise to speak about some of the elements that legislative action ought to contain.

Hardly a day goes by when we are not hearing about the collapse of another corporation. It is not just Enron.

I think we have all come to recognize the problem of corporate mismanagement, the problem of questionable accounting, or actual dishonest accounting, the problem of misuse or abuse of the tax provisions early in the law. All of that is, unfortunately, more widespread than just the Enron example.

These corporate misdeeds, executive malfeasance, accounting chicanery, unfortunately, provide grist for virtually every front page we see these days. These stories will not stop on their own. The problems will not go away on their own. Apparently, the system we have had in place for a long time is not working as it should. We need to pass legislation to address these recurring themes or else we will jeopardize a long-term economic recovery, which I know we are all hoping very much is in place and scheduled to occur.

I have referred to a New York Times article. Mr. President, I ask unanimous consent that this article be printed in the RECORD following my remarks.

The PRESIDING OFFICER (Mr. WYDEN). Without objection, it is so ordered.

(See Exhibit 1.)

Mr. BINGAMAN. Mr. President, as noted in the article, Senator DASCHLE has indicated he would like to bring a bill to the Senate floor dealing with these issues before the August recess. I think that is an admirable goal, one that the entire Senate needs to join. Unfortunately, the administration and the House and some colleagues in the Senate have not shown the kind of zeal for these necessary reforms that is going to be required. I certainly hope the delays and obstacles that have arisen so far do not prevent us from bringing meaningful legislation before the Senate.

Let me refer to a couple other articles while I am on the subject. I was reading these articles over the weekend in Business Week. One is an editorial in the current edition of Business Week, entitled "Accounting: Stronger Reforms, Please." It is a very interesting article, one that I think deserves the attention of everyone. Let me read a couple of paragraphs from it because I think it does make a point on which all of us need to focus. It says:

If you hoped that the Enron/Andersen scandal would provide an opportunity for just

those sort of farsighted regulatory improvements, start worrying. There are signs that the Bush Administration, under pressure from the accounting lobby and business groups such as the U.S. Chamber of Commerce, is willing to support only mild changes in the current system. And there's a danger that Congress will acquiesce. The House of Representatives has already passed a very watered-down bill.

That's wrong. Halfhearted reform is bad for the public, bad for the economy, and even bad for the accounting industry, which needs to reestablish its credibility. Instead, we think the best bet for strong accounting and financial reform is the legislation proposed by Senator Paul Sarbanes, Democrat from Maryland, chairman of the Senate Banking Committee.

Sarbanes' draft legislation—which is opposed by Senator Phil Gramm, the ranking GOP member of the Banking Committee, and the Bush Administration—would set up a strong private-sector board to oversee public-company accounting.

It goes on to detail what is in the legislation and to urge that the legislation be considered and passed by the Congress.

Mr. President, I ask unanimous consent that the editorial from *Business Week's* current edition be printed in the *RECORD* immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 2.)

Mr. BINGAMAN. Mr. President, let me also call the attention of my colleagues to another section in the same magazine called *The Barker Portfolio*. It is entitled "A Three-Point Plan for SEC Reform." It is by Robert Barker, and he goes into some detail about what he believes is an appropriate set of reforms for the Securities and Exchange Commission in order that these kinds of problems can be avoided in the future.

I ask unanimous consent that this be printed in the *RECORD* following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 3.)

Mr. BINGAMAN. Mr. President, before leaving this general subject, let me talk a little about a subject on which I have focused in recent weeks, which is part of this overall corporate mismanagement problem that we have been talking about, and that is the problem of pensions. What do we do to preserve the retirement of workers in these companies that turn out to have cooked the books or to have engaged in some kind of practice that causes the value of that company to go away?

There are essentially four major issues that I think need to be focused on regarding retirement security for Americans. Let me put that chart up and go through the list once more for those who are interested in this subject.

There are four major areas where we need to concentrate our attention and where I believe we can legislate in a constructive fashion. First, we need to have a goal of providing some type of retirement or pension plan for all

workers in our society. There is no reason why a person should work 25, 30, 35, even 40 years at a job—or a series of jobs, which is much more common in this day and time—and wind up with no pension, no income, nothing they can depend on other than Social Security once they get to retirement age.

Pensions and retirement coverage have not increased as a percentage of the workforce in the last 30 years. We have recent studies that have indicated that. About 50 percent of private sector workers actually have some sort of pension plan today. That is nationwide. The statistic is 50 percent. My home State of New Mexico, unfortunately, has the worst statistic of any of the 50 States. The percentage is 70 percent have no pension plan and are not expecting to have a pension; whereas, only 30 percent of private sector employees do have some sort of pension plan.

I can remember the discussions in previous years around here where we talked about a three-legged stool when it came to retirement security. We said, when a person gets to retirement, they are going to have three things to depend upon, including Social Security payments—and we all want to see those continue. They are going to have their savings, and they are going to have their pension. The reality is very different from that model or that ideal that we have described for many years.

The reality is that most people who have worked through their entire careers—at least in New Mexico where 70 percent have no pension—most people do not have three legs on the "stool" on which they are planning to sit. They have most likely one leg because they have not been able to save a significant amount, and they don't have any sort of pension or 401(k) plan. That is the first issue and the first item on the chart.

All workers need a retirement or pension plan of some sort. We can do much more to expand pension coverage to make it more attractive for employers to provide pension coverage and to make it more available to workers in our society. We need to get about the business of doing that.

Second, all workers should have a right to a secure retirement savings. The problems we have seen with Enron, the problems we have seen with other corporations, where retirement savings have been essentially frittered away, or put into stock by employers which turned out not to have value, need to be fixed. There is legislation that Senator KENNEDY has proposed, which has been reported out of the Health, Education, Labor, and Pensions Committee that I supported. That legislation is awaiting consideration on the Senate floor. I hope very much that we can move to consider that legislation.

In the Finance Committee, we are also looking at legislation which would help ensure that people who have these pension savings, or who have a 401(k) plan, can be guaranteed those funds will be there when they actually retire.

We need to protect employees from conflicts of interest that allow accountants, analysts, investment advisers, and, in some cases, employers to act in their own self-interest, rather than in the best interest of the employee who is supposed to benefit from that retirement plan.

Third, all workers must have pension portability. One of the problems today in our workforce and our work careers is that most people will move from job to job, and over the period of 30, 35, 40 years of work, an average worker may have 8 or 10 jobs. We need to be sure they do not lose their pension benefits as they move from job to job. We need to be sure they can take those benefits with them and that the benefits will be portable.

Again, we need to change the laws to make that occur on a more ready basis. I hope very much we can move to legislation to accomplish that.

The fourth item I want to mention is all workers should be treated on a comparable basis as regards to retirement benefits. We are just now trying to understand all of the various mechanisms that have been used in some of these companies to get us to a result which we have seen over and over where the top executives of a corporation, when the corporation essentially collapses as a financial matter, where the top executives walk off with tens and even hundreds of millions of dollars in deferred compensation, in executive compensation of one kind or another; whereas the workers for that same corporation may wind up with nothing in their retirement accounts.

We need to find out what those abuses are. We need to find out ways to correct them. We need to plug those loopholes in the existing law, and I believe we can.

Mr. President, let me stop with that. I see other colleagues are waiting to speak. I believe very strongly this issue of retirement security needs to be on the agenda of this Congress. I know Senator DASCHLE is trying to put together a series of proposals coming from various committees so that we can consider it before the August recess. Retirement security is one of the provisions that we would hopefully give attention to as a result of or in the wake of the Enron scandal. I hope we can do that. I think the people of the country want to see us do that.

I close with the article with which I began my discussion, "Enthusiasm Ebbs for Tough Reform in Wake of Enron." We need to prove that headline wrong and demonstrate that this Congress is committed to tough reform, and one of those reforms is in the area of retirement security.

Mr. President, I yield the floor.

EXHIBIT 1

[From the New York Times, June 10, 2002]  
ENTHUSIASM EBBS FOR TOUGH REFORM IN  
WAKE OF ENRON

(By Stephen Labaton and Richard A. Oppel, Jr.)

WASHINGTON, June 9.—Six months after the collapse of Enron, a wave of enthusiasm for

overhauling the nation's corporate and accounting laws has ebbed and the toughest proposals for change are all but dead.

A powerful group of lobbyist, playing on partisan disagreement in Congress, appears to have killed efforts to impose tight new controls on corporate conduct. And while some Democrats hope to turn the inaction to their advantage in the fall elections, other lawmakers say that—barring more business meltdowns that deepen the stock market's two-year slump—voters are unlikely to care enough to influence their ballots.

Bills imposing more stringent accounting standards, changing the tax and accounting treatment of employee stock options and setting tougher conflict-of-interest rules for stock analysts and accounting firms have all fallen victim to political gridlock.

Corporate America and the stock markets have not waited for Washington. Instead, they have undertaken a host of changes in response to the problems highlighted by Enron and reinforced by corporate and accounting failures in the telecommunications, cable and energy industries. Investors have fled companies whose accounting or governance practices fail to measure up to post-Enron standards. Some Republicans say all this is evidence that the system is working without heavy-handed interference by lawmakers.

Congress did much to focus attention on flaws in the nation's corporate and accounting practices with a series of investigative hearings earlier this year, the most dramatic of them conducted by committees in the Republican-led House. Even so, with the debate over Enron at full boil, the House adopted a measure in April that rejected the toughest proposed changes.

Senate Democrats now predict that they will have the votes to get a broad measure of their own out of the Banking Committee later this month on a party-line vote, but only by tempering it to win the support of moderates. Senator Tom Daschle, the majority leader, is said by lawmakers and his aides to be committed to trying to move a bill to the Senate floor before the August recess, in hopes of using the Republicans' opposition to the measure against them in fall campaigns.

Even if that bill survives a filibuster threatened by Senate Republicans, lawmakers and lobbyists say that there is little chance of reconciling the differences between the House and the Senate this year.

All of Washington has not been paralyzed. Federal regulators—spurred in part by state prosecutors—have become more aggressive on the enforcement front.

In Congress, meanwhile, legislation to modify pension laws—a response to the enormous losses in the retirement funds of employees at Enron and other troubled companies—might have a better chance of passage.

Still, even lawmakers who favor a tough response to the seeming explosion in business misconduct detect little fervor among voters for a Washington crackdown. Absent a spate of further disclosures, they say, the issues may remain too remote to change many voters' minds.

"The politics will be determined by the circumstances," said Senator Jon S. Corzine, Democrat of New Jersey and a former top executive of Goldman, Sachs & Company. "If we continue to see an erosion of the stock market and more cases like Adelphia and Tyco, then it will be significant. If we see less, then it may have less of an impact, because these can become issues that are hard for people like my mom to understand."

Other lawmakers, particularly Republicans, say Enron's moment as a galvanizing issue has quickly passed.

"The feeding frenzy is pretty much over," said Senator Phil Gramm of Texas, the rank-

ing Republican on the banking committee, who has worked closely with industry lobbyists to kill many of the Democrats' proposals. "People started looking at making all these radical changes and decided there was a real cost involved and that it would not solve the Enron problem."

Mr. Gramm said regulators and the marketplace are already correcting the excesses exemplified by Enron and its auditor, Arthur Andersen, relieving Congress of the need to enact comprehensive legislation.

"A lot of progress has already been made," he said. "The president has put forward a strong program, the Securities and Exchange Commission is moving forward, and the exchanges are changing their rules. No one who sits on an audit committee will be the same after Enron." Mr. Gramm's wife, Wendy, a onetime government regulator who serve on Enron's audit committee, resigned from the company's board last week.

Representative Billy Tauzin, the Louisiana Republican who held hearings on Enron's collapse, agreed with Mr. Gramm's appraisal, but he said it will still vital for Congress to act, even though the prospects for legislation are not strong.

"It's all very iffy," he said. "There is a huge rift between where the Senate believes these issues ought to go and what the House has already passed. I don't know if it gets worked out in time."

Both Democrats and Republicans have already begun to consider strategies to make the best political use of the issue in the November elections. The Republicans are relying heavily on the rule-making and enforcement actions of the S.E.C.

On the Democratic side, one idea under discussion by advisers to Senator Daschle is to bundle disparate proposals into one package, making it more efficient to both confront recalcitrant Republicans in the House and make a political issue in the fall of the legislation's defeat.

In any event, politicians and lobbyists say that any change in the accounting treatment of stock options is dead for the year—largely because of the perception that Silicon Valley, where such options are as ubiquitous as the Internet itself, is up for grabs in the 2002 and 2004 elections.

Proposals have been made to force companies to account for options as a compensation cost—now they are not charged against corporate earnings—and to limit the ability of companies to take tax deductions for issuing options. But technology companies, financial firms and corporate trade groups—with the backing of President Bush—have lobbied lawmakers around the country to maintain the current system.

For now, lawmakers say, they have trumped the arguments of such people as Alan Greenspan, the Federal Reserve chairman, and the multibillionaire investor Warren E. Buffett that the current treatment of options contributed to corporate overreaching in the 1990's.

The Bush administration has not been a visible force in the legislative battles, relying instead on likeminded allies—notably Senator Gramm—to bottle up the most ambitious legislation. He has met repeatedly with corporate lobbyists and urged them to press sympathetic Democrats or those facing tight races, like Thomas R. Carper of Delaware, Evan Bayh of Indiana and Zell Miller of Georgia, to block legislation from reaching the Senate floor.

Democrats say that effort appears to have failed and that Senator Paul S. Sarbanes, Democrat of Maryland, appears to have the support to get a bill approved by the banking committee. It would sharply curtail the consulting work performed by accounting firms, create a relatively independent oversight

board for the accounting profession, require large corporations to rotate their auditors every five years, and impose tighter conflict of interest restrictions on stock analysts than the measure that was passed by the House.

Mr. Gramm has been working closely with the administration on an alternative measure that does not tighten conflict of interest regulations for analysts or auditing firms. His wife's Enron ties seem to have produced no political pressure on Mr. Gramm—who has announced his intention to retire from the Senate after this year—to shy from the debate.

The post-Enron proposals prompted scores of industry associations and hundreds of corporations to retain lobbyists and use their own employees to try to weaken or kill the measures. They include the American Institute of Certified Public Accountants, which is dominated by the largest firms. Hundreds of companies, including Oracle and Intel, have fought against changing the treatment of stock options. And many of the largest Wall Street firms have lobbied against changes in the laws governing stock analysts.

The drift in Congress largely reflects the power of the accounting profession. Accounting firms ranked as three of President Bush's top eight campaign donors in 2000, and over all, the industry made \$14.7 million in campaign donations to both Democrats and Republicans during the last election cycle, according to the Center for Responsive Politics. The profession has influential members in many congressional districts and has been known to use lawmakers' own accountants to lobby them.

Pension legislation may stand a better chance in Congress, although its prospects remain cloudy.

The chairman of the Senate Finance Committee, Max Baucus of Montana, is crafting an alternative to a bill by Senator Edward M. Kennedy, Democrat of Massachusetts, that drew strong opposition from business lobbyists and Republicans.

On some points, Mr. Baucus's bill is likely to contain provisions similar to those in the House bill, like permitting workers to sell company stock awarded as a 401(k) match three years after they receive it. Senate aides say the bill may also place limits on certain forms of executive compensation. Mr. Daschle is warming to the provisions that are expected to form the Baucus proposal, Senate aides say.

But they say the Baucus plan is unlikely to include the Kennedy proposal's provision prohibiting most companies from both offering their stock as a 401(k) investment option and using it to match employee contributions. This was designed to keep employees from putting too much retirement money in their own stock, as happened at Enron.

One major issue that remains unresolved is how to give employees better access to investment advice. Investment management companies have been lobbying to permit firms that administer retirement plans to offer advice to participants. Among other things, they would be permitted to recommend investments for which they could receive a fee.

Senate aides say the Baucus proposal may instead contain a provision encouraging employers to hire independent firms to provide advice.

#### EXHIBIT 2

[From Business Week]

#### ACCOUNTING: STRONGER REFORMS, PLEASE

Perhaps the only benefit of a major scandal is that it creates pressure for reforms. Politicians who would otherwise listen to special interests are forced by public pressure to make long-needed changes. Often, the

legislative and regulatory changes that follow a scandal can help build a strong foundation for economic growth.

If you hoped that the Enron/Anderson scandal would provide an opportunity for just those sort of farsighted regulatory improvements, start worrying. There are signs that the Bush Administration, under pressure from the accounting lobby and business groups such as the U.S. Chamber of Commerce, is willing to support only mild changes in the current system. And there's a danger that Congress will acquiesce. The House of Representatives has already passed a very watered-down bill.

That's wrong. Halfhearted reform is bad for the public, bad for economy, and even bad for the accounting industry, which needs to reestablish its credibility. Instead, we think the best for strong accounting and financial reform is the legislation proposed by Senator Paul S. Sarbanes (D-Md.), chairman of the Senate Banking Committee.

Sarbanes' draft legislation—which is opposed by Senator Phil Gramm (R-Tex.), the ranking GOP member of the Banking Committee, and the Bush Administration—would set up a strong private-sector board to oversee public-company accounting. It would severely limit consulting services that accounting firms can offer the companies they audit. And, not the least, the bill would require CEOs and CFOs to sign their company's audit reports and forfeit a year's worth of bonuses, incentive-based pay, and profits on stock sales if the company has to materially restate its earnings. That would reduce the aggravating sight of CEOs claiming they had no idea what kind of wrongdoing their company was engaged in.

Equally important, the Sarbanes bill would authorize more money for the Securities & Exchange Commission and permit the agency to hire at least twice as many professionals as the Bush Administration is willing to fund. These additional resources are essential for the SEC to do its regulatory duty. According to a report from the General Accounting Office, the SEC's workload increased by 80% in the 1990s, but its staffing rose only 20%. In 2001, for example, the SEC reviewed only 16% of all annual reports—way below the desirable level.

No business or profession likes closer oversight. But finding the right balance between markets and regulation is essential for a well-functioning economy. Reform is never easy—but history suggest that it's essential.

#### EXHIBIT 3

[From Business Week, June 3, 2002]

#### A THREE-POINT PLAN FOR SEC REFORM

(By Robert Barker)

A specter is haunting Wall Street—the specter of Main Street retreating from investments and toward savings, going from stocks to CDs. That's why, as the late, lamented bull market nears its 20th anniversary this summer, “we are on the verge of the greatest overhaul of securities regulation since the SEC was created,” Securities & Exchange Commission Chairman Harvey Pitt said recently. “Nothing is off the table.”

Pitt was addressing an Investor Summit that the called on May 10 in Washington to air investors' concerns and answer questions. I listened, via the Web, to more than three hours of talk, most of it pertinent (box). Yet some specific investor demands need amplification. Here's a short list of concrete fixes. If Wall Street and its regulators can't deal with this simple stuff, their reform effort will have failed:

**FASTER.** A CEO today can dump a ton of his company's stock on the first day of the month and need not report it until the 10th

day of the next month. Not only should that disclosure be made much sooner—within a day or two of the sale, as now is being discussed—but such insider trades should be disclosed for free via the SEC's Web site, which is not the case today.

Quarterly and annual corporate reports, now required 45 and 90 days, respectively, after each period, will likely be accelerated to 30 and 60 days. That's good, but faster filing should not end there. Mutual-fund holdings should be disclosed at least quarterly instead of every six months, the current rule. Opponents say faster disclosure will make it harder for funds to trade without tipping their hand and ultimately hurting investors. But companies that manage \$100 million or more—including most fund advisory firms—already must disclose portfolio holdings 45 days after the close of each quarter. Cut that to 30 days, tops. Short positions, now exempt should be required as well as longs.

**FAIRER.** The SEC's regulation FD, or Fair Disclosure, seems to have helped put individual investors on a more equal footing with professionals when companies disclose potentially market-moving information. Before its adoption in August, 2000, the public routinely was barred from management's conferencecalls with stock analysts. Not so now. There remains, however, a forbidden zone—the “road shows” put on for institutional investors by companies preparing to sell securities, particularly initial public offerings of stock. Just as the SEC was able to invite the public via the Internet to its own recent Investor Summit, investors small as well as large should be asked to attend and pose questions at these pre-IPO presentations. It's one thing to read a prospectus laden with legalese; it's better to hear how management discusses what's in the prospectus.

**PLAINER.** Speaking of legalese, regulators have long encouraged the use of “plain English” in securities filing. A charitable assessment of this initiative would be to say it has achieved limited success. To any who doubt this, I point to the 749-page proxy statement (including Annexes A through N) filed recently by AT&T. If you own AT&T, you're supposed to use this to decide how you'll vote by July 10 on the company's plan to restructure and merge its cable unit with Comcast. Meanwhile, regulators—while trying to make investor communications clear to more than just the securities bar—might also try setting a good example. In SEC lingo, the AT&T proxy is a “DEFM14A.” A mutual fund's annual report is an “N-SAR.” A tender offer may be a “13E-4” or a “14D-1.” Our government can do much better.

Only a fool would expect Washington to solve every problem in today's stock market. As SEC Commissioner Isaac Hunt put it: “The burden rests with individual investors to research the information and make intelligent investment decisions on their own.” Fair enough. At the same time, investors don't have to buy what Wall Street is selling. So the burden is equally on Wall Street to show honestly that what it's offering is worth buying. Otherwise, I'd say the intelligent investment decision is a bank CD.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. AKAKA. Mr. President, I ask unanimous consent to speak in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### KAHO'OLAWA; REBIRTH OF A SACRED HAWAIIAN ISLAND

Mr. AKAKA. Mr. President, I rise today to call my colleagues' attention

to an excellent exhibit that opened last week at the Smithsonian Institution's Arts and Industries Building, entitled, “Kaho'olawe; Rebirth of a Sacred Hawaiian Island.” The exhibit chronicles the rich history of the island of Kaho'olawe from its mythical beginnings to current efforts towards its protection and revitalization. The exhibit is a project of the Bishop Museum Native Hawaiian Culture and Arts Program, and is sponsored by the Smithsonian Asian Pacific American Program, Bernice Pauahi Bishop Museum, Community Development Pacific, and Protect Kaho'olawe 'Ohana/Fund.

I was deeply moved by the exhibit and its eloquent reflection of the Hawaiian value of “aloha aina,” which means love for the land, which serves as a foundation for the culture of Hawaii's indigenous peoples; the Native Hawaiians. The profound appreciation for Hawaiian culture and its values is reflected in Hawaii's state motto, “Ua mau ke'ea 'o ka 'aina 'i ka pono, “the life of the land is perpetuated in its righteousness.” The exhibition celebrates Hawaii's culture and people in telling the story of Kaho'olawe.

Ancient chants—plaintive and poetic oral histories of Hawaii—along with archaeological evidence indicate that Kaho'olawe was inhabited by Native Hawaiians who fished and farmed in coastal and upland settlements scattered across the island. In ancient times, the island was referred to as Kanaloa for the god of the ocean and the foundations of the earth.

From 1941 to 1994, Kaho'olawe and its surrounding waters were under the control of the United States Navy. Both the island and the waters of Kaho'olawe were used as a live-fire training range. In 1990, President George Bush directed the Department of Defense to cease using the island of Kaho'olawe as a training range. In 1993, Congress enacted legislation that recognized the cultural significance of Kaho'olawe, required its return to the State of Hawaii, and directed the Navy to conduct unexploded ordnance cleanup and environmental restoration in partnership with the State of Hawaii. Congress authorized Federal funding through 2003 for the cleanup of Kaho'olawe. We continue to work with the Navy to ensure that this funding is utilized for maximum cleanup of the island before access is turned over to the State of Hawaii in late 2003.

The restoration of Kaho'olawe is more than the cleanup of ordnance. Native Hawaiians also referred to Kaho'olawe as “Ko Hema Lamalama,” the Southern Beacon, in reference to the island's use as a navigational aid, or shining beacon, for long-distance voyagers returning to Hawaii. For many Hawaiians, the vision of a fully restored Kaho'olawe serves as a guiding light to the revitalization of Native Hawaiian culture.

I encourage all of my colleagues and their staff to visit this exhibit at the Smithsonian Institution's Arts and Industries Building. I always welcome